

State of Arizona  
Senate  
Forty-seventh Legislature  
Second Regular Session  
2006

# SENATE BILL 1067

AN ACT

AMENDING SECTION 43-221, ARIZONA REVISED STATUTES; RELATING TO THE INCOME TAX CREDIT REVIEW COMMITTEE.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 43-221, Arizona Revised Statutes, is amended to  
3 read:

4 43-221. Joint legislative income tax credit review committee

5 A. The joint legislative income tax credit review committee is  
6 established consisting of the following members:

7 1. Five members of the house of representatives ways and means  
8 committee appointed by the speaker of the house of representatives. Not more  
9 than three appointees shall be of the same political party.

10 2. Five members of the senate finance committee appointed by the  
11 president of the senate. Not more than three appointees shall be of the same  
12 political party.

13 B. The committee shall determine the original purpose of existing tax  
14 credits and establish a standard for evaluating and measuring the success or  
15 failure of the tax credits. The standard for evaluating tax credits may  
16 include:

17 1. The history, rationale and estimated revenue impact of the credit.

18 2. Whether the credit has provided a benefit to this state including,  
19 for corporate tax credits, measurable economic development, new investments,  
20 creation of new jobs or retention of existing jobs in this state.

21 3. Whether the credit is unnecessarily complex in the application,  
22 administration and approval process.

23 C. The committee shall review the individual and corporate income tax  
24 credits pursuant to the schedule prescribed in section 43-222. The committee  
25 shall use the joint legislative budget committee staff and may use the staff  
26 of the department of revenue and legislative council for assistance.

27 D. After completing the review process, the committee shall determine  
28 whether the credit should be amended, repealed or retained. If the credit is  
29 recommended to be retained or amended, the committee shall recommend that the  
30 credit be returned to the income tax credit review schedule prescribed in  
31 section 43-222. The next review year shall be the fifth full calendar year  
32 following the date the credit was reviewed. The committee shall report its  
33 findings and recommendations to the president of the senate, the speaker of  
34 the house of representatives and the governor by ~~December~~ NOVEMBER 15 of the  
35 year that the committee reviews the credit. The committee shall provide a  
36 copy of the report to the director of the Arizona state library, archives and  
37 public records.